

104TH CONGRESS
1ST SESSION

H. R. 1471

To provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1995

Mr. LAFALCE introduced the following bill; which was referred to the
Committee on Banking and Financial Services

A BILL

To provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financing Corporation
5 and Savings Association Insurance Fund Amendments of
6 1995”.

1 **SEC. 2. AVAILABILITY OF RTC FUNDS TO RECAPITALIZE**

2 **SAIF.**

3 (a) IN GENERAL.—Section 11(a)(6)(F) of the Fed-
4 eral Deposit Insurance Act (12 U.S.C. 1821(a)(6)(F)) is
5 amended in the provisions of such subparagraph preceding
6 clause (i)—

7 (1) by inserting “to cover losses incurred, or
8 which can reasonably be expected to be incurred, by
9 the Fund or to increase the reserve ratio of the
10 Fund” after “as needed by the Fund”; and

11 (2) by inserting a period after “not needed by
12 the Resolution Trust Corporation” and striking ev-
13 erything that follows through the end of the sub-
14 paragraph.

15 (b) TECHNICAL AND CONFORMING AMENDMENT.—
16 Section 11(a)(6)(K) of the Federal Deposit Insurance Act
17 (12 U.S.C. 1821(a)(6)(K)) is amended by striking “to
18 cover losses incurred by the Fund” and inserting “to cover
19 losses incurred, or which can reasonably be expected to
20 be incurred, by the Fund or to increase the reserve ratio
21 of the Fund”.

22 **SEC. 3. SAIF PAYMENTS TO FICO.**

23 (a) IN GENERAL.—Section 21(f) of the Federal
24 Home Loan Bank Act (12 U.S.C. 1441(f)) is amended
25 by redesignating paragraph (3) as paragraph (4) and in-
26 serting after paragraph (2) the following new paragraph:

1 “(3) PAYMENTS FROM SAIF.—In addition to the
2 amounts available pursuant to paragraphs (1) and
3 (2), the Federal Deposit Insurance Corporation shall
4 make available to the Financing Corporation such
5 amounts as may be prudently transferred from the
6 Savings Association Insurance Fund, taking into ac-
7 count funds available to such Fund pursuant to sec-
8 tion 11(a)(6)(F) of the Federal Deposit Insurance
9 Act, to cover the interest payments, issuance costs,
10 and custodial fees on obligations issued by the Fi-
11 nancing Corporation.”.

12 (b) TECHNICAL AND CONFORMING AMENDMENT.—
13 Section 11(a)(6) of the Federal Deposit Insurance Act (12
14 U.S.C. 1821(a)(6)) is amended by adding at the end the
15 following new subparagraph:

16 “(L) AMOUNTS AVAILABLE FOR PAYMENTS
17 TO FICO.—Notwithstanding any other provision
18 of this subsection, amounts in the Savings As-
19 sociation Insurance Fund shall be available for
20 payment to the Financing Corporation in ac-
21 cordance with section 21(f)(3) of the Federal
22 Home Loan Bank Act.”.

1 **SEC. 4. REPEAL OF MINIMUM SAIF ASSESSMENT RULE.**

2 Section 7(b)(2) of the Federal Deposit Insurance Act
3 (12 U.S.C. 1817(b)(2)) is amended by striking subpara-
4 graph (E).

5 **SEC. 5. CLARIFICATION THAT CERTAIN INSTITUTIONS IN-**
6 **SURED BY THE SAIF ARE SUBJECT TO FICO**
7 **ASSESSMENTS.**

8 Section 21(f)(2) of the Federal Home Loan Bank Act
9 (12 U.S.C. 1441(f)(2)) is amended by inserting after
10 “Savings Association Insurance Fund member” the fol-
11 lowing: “, including any Savings Association Insurance
12 Fund member referred to in section 5(d)(2)(G) of the Fed-
13 eral Deposit Insurance Act and, in the case of any Bank
14 Insurance Fund member which has deposits which are
15 treated (under section 5(d)(3) of such Act) as deposits
16 which are insured by the Savings Association Insurance
17 Fund, the adjusted attributable deposit amount with re-
18 spect to such member as determined under subparagraph
19 (C) of section 5(e)(3) of such Act for purposes of subpara-
20 graph (B)(i) of such section,”.

21 **SEC. 6. LIMIT ON DIFFERENTIAL BETWEEN ASSESSMENT**
22 **RATES IMPOSED ON FORMER BIF MEMBERS**
23 **AND FORMER SAIF MEMBERS.**

24 Section 7(b)(2) of the Federal Deposit Insurance Act
25 (12 U.S.C. 1817(b)(2)) is amended by inserting after
26 paragraph (G) the following new subparagraph:

1 “(H) CAP ON DIFFERENTIAL BETWEEN
2 FORMER BIF AND SAIF MEMBERS.—The aver-
3 age assessment rate under the risk-based as-
4 sessment system for insured depository institu-
5 tions which, as of December 31, 1994, were
6 Savings Association Insurance Fund members,
7 including the special assessment under para-
8 graph (9), shall not exceed the average assess-
9 ment rate under the risk-based assessment sys-
10 tem for insured depository institutions which,
11 as of December 31, 1994, were Bank Insurance
12 Fund members by more than 9 basis points.”.

○